| 1  | TO THE HOUSE OF REPRESENTATIVES:  |
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| 2  | The Committee on General, Housing, and Military Affairs to which was                |
| 3  | referred House Bill No. 313 entitled "An act relating to miscellaneous              |
| 4  | amendments to alcoholic beverage laws" respectfully reports that it has             |
| 5  | considered the same and recommends that the bill be amended by striking out         |
| 6  | all after the enacting clause and inserting in lieu thereof the following:          |
| 7  | Sec. 1. 7 V.S.A. § 204 is amended to read:  |
| 8  | § 204. APPLICATION AND RENEWAL FEES FOR LICENSES AND                                |
| 9  | PERMITS; DISPOSITION OF FEES  |
| 10 | (a) The following fees shall be paid when applying for a new license or             |
| 11 | permit or to renew a license or permit:   |
| 12 | * * *   |
| 13 | (6) For a third-class license, \$1,095.00 for an annual license and                 |
| 14 | \$550.00 for a six-month license. For a stand-alone third-class license, the        |
| 15 | issuing municipality may assess an additional \$50.00 local processing fee.         |
| 16 | * * *   |
| 17 | (b) Except for fees collected for first-, second-, and third-class licenses, the    |
| 18 | fees collected pursuant to subsection (a) of this section shall be deposited in the |
| 19 | Liquor Control Enterprise Fund. The other fees shall be distributed as follows:     |
| 20 | (1) Third-class license fees: 55 percent shall go to the Liquor Control             |
| 21 | Enterprise Fund, and 45 percent shall go to the General Fund and shall fund         |

| 1  | alcohol abuse prevention and treatment programs. The local processing fee for       |
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| 2  | stand-alone third-class licenses shall be retained by the issuing municipality.     |
| 3  | * * *   |
| 4  | Sec. 2. 7 V.S.A. § 230 is added to read:  |
| 5  | § 230. SALE OF ALCOHOLIC BEVERAGES FOR OFF-PREMISES                                 |
| 6  | CONSUMPTION   |
| 7  | (a) The Board of Liquor and Lottery and the local control commissioners             |
| 8  | may approve the following:  |
| 9  | (1) Authorize first- and third-class licensees to sell malt beverages,              |
| 10 | vinous beverages, and spirits-based prepared drinks for off-premises                |
| 11 | consumption. All sales of alcoholic beverages for off-premises consumption          |
| 12 | must be accompanied by a food order.  |
| 13 | (2) Authorize fourth-class licensees to provide curbside pickup of                  |
| 14 | unopened containers of spirits, spirits-based products, malt beverages, and         |
| 15 | vinous beverages.   |
| 16 | (b) For any alcoholic beverage sold pursuant to subdivision (a)(1) of this          |
| 17 | section, the first- or third-class licensee shall provide the alcoholic beverage in |
| 18 | a container:  |
| 19 | (1) with a securely affixed tamper-evident seal; and                                |
| 20 | (2) bearing a label that:   |
| 21 | (A) states that the beverage contains alcohol; and                                  |

| 1  | (B) lists the ingredients and serving size.                                      |
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| 2  | (c) A licensee may sell alcoholic beverages pursuant to this section             |
| 3  | between 10:00 a.m. and 11:00 p.m.  |
| 4  | (d) The Board of Liquor and Lottery may adopt rules and forms necessary          |
| 5  | to implement this section.   |
| 6  | Sec. 3. 7 V.S.A. § 253 is amended to read:                                       |
| 7  | § 253. FESTIVAL PERMITS  |
| 8  | * * *  |
| 9  | (b)(1) A festival required to be permitted under this section is any event       |
| 10 | that is open to the public for which the primary purpose is to serve one or more |
| 11 | of the following: malt beverages, vinous beverages, fortified wines, or spirits. |
| 12 | (c) A festival permit holder is permitted to conduct an event that is open to    |
| 13 | the public at which one or more of the following are served: malt beverages,     |
| 14 | vinous beverages, fortified wines, or spirits.                                   |
| 15 | (d) The permit holder shall ensure the following:                                |
| 16 | (1) Attendees at the festival shall be required to pay an entry fee of not       |
| 17 | <u>less than \$5.00.</u>   |
| 18 | (2)(A) Malt beverages for sampling shall be offered in glasses that              |
| 19 | contain not more than 12 ounces with not more than 60 ounces served to any       |
| 20 | patron at one event.   |

| 1  | (B) Vinous beverages for sampling shall be offered in glasses that                |
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| 2  | contain not more than five ounces with not more than 25 ounces served to any      |
| 3  | patron at one event.  |
| 4  | (C) Fortified wines for sampling shall be offered in glasses that                 |
| 5  | contain not more than three ounces with not more than 15 ounces served to any     |
| 6  | patron at one event.  |
| 7  | (D) Spirits for sampling shall be offered in glasses that contain not             |
| 8  | more than one ounce with not more than five ounces served to any patron at        |
| 9  | one event.  |
| 10 | (E) Patrons attending a festival where combinations of malt, vinous,              |
| 11 | fortified wines, or spirits are mutually sampled shall not be served more than a  |
| 12 | combined total of six U.S. standard drinks containing 3.6 fluid ounces or         |
| 13 | 84 grams of pure ethyl alcohol.   |
| 14 | (3) The event shall be conducted in compliance with all the                       |
| 15 | requirements of this title.   |
| 16 | (e)(1) A festival permit holder may purchase invoiced volumes of malt or          |
| 17 | vinous beverages directly from a manufacturer or packager licensed in             |
| 18 | Vermont, or a manufacturer or packager that holds a federal Basic Permit or       |
| 19 | Brewers Notice or evidence of licensure in a foreign country that is satisfactory |
| 20 | to the Board.   |

| 1  | (2) The invoiced volumes of malt or vinous beverages may be                               |
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| 2  | transported to the site and sold by the glass to the public by the permit holder          |
| 3  | or its employees and volunteers only during the event.                                    |
| 4  | (e)(f) A festival permit holder shall be subject to the provisions of this title,         |
| 5  | including section 214 of this title, and the rules of the Board regarding the sale        |
| 6  | of the alcoholic beverages and shall pay the tax on the malt or vinous                    |
| 7  | beverages pursuant to section 421 of this title.  |
| 8  | $\frac{d}{d}$ A person shall be granted $\frac{d}{d}$ more than four festival permits per |
| 9  | year, and each permit shall be valid for no not more than four consecutive                |
| 10 | days.   |
| 11 | Sec. 4. 7 V.S.A. § 256 is amended to read:  |
| 12 | § 256. PROMOTIONAL TASTINGS FOR LICENSEES   |
| 13 | (a)(1) At the request of a first- or second-class licensee, a holder of a                 |
| 14 | manufacturer's, rectifier's, or wholesale dealer's license may distribute without         |
| 15 | charge to the first- or second-class licensee's management and staff, provided            |
| 16 | they are of legal age and are off duty for the rest of the day, two ounces per            |
| 17 | person of vinous or malt beverages for the purpose of promoting the beverage.             |
| 18 | (2) At the request of a holder of a third-class license, a manufacturer or                |
| 19 | rectifier of spirits or fortified wines may distribute without charge to the third-       |
| 20 | class licensee's management and staff, provided they are of legal age and are             |
| 21 | off duty for the rest of the day, one-quarter ounce of each beverage and no not           |

| 1  | more than a total of one ounce to each individual for the purpose of promoting  |
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| 2  | the beverage.   |
| 3  | (3) No permit is required for a tasting pursuant to this subsection, but        |
| 4  | written notice of the event shall be provided to the Division of Liquor Control |
| 5  | at least two days prior to the date of the tasting.                             |
| 6  | * * *   |
| 7  | Sec. 5. REPEAL  |
| 8  | 7 V.S.A. § 230 is repealed on July 1, 2023.                                     |
| 9  | Sec. 6. EFFECTIVE DATE  |
| 10 | This act shall take effect on July 1, 2021.                                     |
| 11 | (Committee vote:)   |
| 12 |   |
| 13 | Representative  |
| 14 | FOR THE COMMITTEE   |